

III. REMARKS

Claims 1-60 and 62-70 are pending in the present application. Applicants note with appreciation that claim 8 has been indicated to be allowable if rewritten in independent form including all of the limitations of the base claim and any intervening claims. Claims 1-7, 9-60, and 62-71 have been rejected. Applicants respectfully note that the Office Action mailed March 13, 2006 erroneously notes that claims 1-59 and 61-71 are pending, while in fact claims 1-60 and 62-71 are presently pending; claim 61 has been previously cancelled. Applicants hereby traverse such rejections.

The title of the application, as well as claims 1, 8, 15-20, 45, 56-62, and 68-71 have been amended to reflect that the transaction at issue is primarily a return transaction, rather than a refund transaction. Before proceeding to a detailed discussion of the claim rejections, Applicants wish to emphasize this difference.

The method claimed by the present invention is not simply the granting of a refund. It is the entire return transaction. In a physical, brick-and-mortar world, a consumer may return a specific piece of merchandise, for example a sweater, to the retail establishment from which it was purchased. During the return transaction, the retailer employee typically inspects the sweater to determine that it has not been damaged, used, etc. Following such a positive determination, a refund for the value of the product (the sweater) may be granted. In the present application, the product is a stored value card. As in the sweater-example, when the stored value card is returned, the retailer employee must inspect the product to determine that it has not been damaged, used, etc. This is the primary purpose of the present invention.

However, the differences between a physical product (sweater) and a product representing value (stored value card) is apparent in the next step of the return transaction. If the sweater is partially damaged or partially used, it is unlikely that the retailer will return partial value, or provide a partial refund. The value of the sweater is not so divisible.

However, the value of a stored value card is so divisible. Accordingly, the present invention provides methods for providing a partial refund for a product that has been partially used. Unlike the sweater-example where the remaining value of a used and perhaps partially damaged sweater is indeterminable, the remaining value on the stored value card is determinable and therefore may be refunded.

A. Rejection of Claims 1-60 and 62-71 Under 35 U.S.C. § 102(e) As Being Allegedly Anticipated By Gould

Claims 1-60 and 62-70 were rejected under 35 U.S.C. §102(e) as being allegedly anticipated by U.S. Patent Publication No. US 2001/0001856 to Gould et al. (“Gould”). Gould discloses a “cash-equivalent card-based purchasing system and its method of operation.” Gould Abstract.

Applicant’s respectfully submit that the Office Action is lacking in support for such rejection. The Office Action recites various features of Gould, and concludes with the crux of the rejection: “[t]he structure of Gould et al is capable of performing all the method steps as set forth in the claims.” Office Action, Paragraph 3. In the attached Remarks section the Office elaborates, noting that “[t]he structure [of Gould] is capable and inherently performed the method steps. For example, if refunds are permitted by Gould, the method step of verifying the account balance (i.e. determining if any value has been redeemed) is inherently performed and

that the system is capable of performing the verifying step.” Office Action, Remarks, p. 4.

Applicants respectfully submits that such rejection does not meet the threshold requirement of a

As noted in Applicants previous response, whether a prior art device is merely capable of performing a method is not a proper basis for rejection. MPEP § 2112.02. Instead, a structure can anticipate a method if the method is inherent, and only where the prior art device “would necessarily perform the method claimed.” *Id.* Applicants respectfully submit that Gould does not necessarily perform the methods as claimed, and that the Office’s inherency argument is misplaced.

1. Gould Does Not Disclose, Teach, or Suggest the Method of Claim 1

Independent claim 1, as amended, recites *inter alia* the step of “receiving a return request...wherein the request comprises a PIN...and wherein the PIN is operative to redeem the associated value.” In order for a return transaction to be accomplished, claim 1 requires a request including a PIN, and it is the PIN that allows the redemption of associated value.

Gould does not disclose, teach, or suggest this step. Additionally, and perhaps more importantly, Gould does not inherently perform this step. Return transactions may clearly be accomplished without the use of a PIN. A return request may comprise various indicia of the merchandise to be returned without including any type of a PIN.

Indeed, all disclosure of Gould with respect to return transactions or refunds is devoid of any disclosure, teachings, or suggestions of a PIN. Gould notes that “refunds of the residual value may be not permitted.” Even if such disclosure is construed as providing a system that is capable of performing return transactions and providing refunds, it does not inherently disclose

the step of “receiving a return request...wherein the request comprises a PIN...and wherein the PIN is operative to redeem the associated value.”

2. Gould Does Not Disclose, Teach, or Suggest the Methods of Claims 2-44

Claims 2-44 are all directly or indirectly dependent upon claim 1. As shown above claim 1 is patentable over the cited reference, and Applicants respectfully submit that claims 2-44 must therefore also be allowable over the reference.

3. Gould Does Not Disclose, Teach, or Suggest the Methods of Claim 45-71

Independent claims 45, 56, 62, and 68-71 each include the element of a “return request” “wherein the request comprises a PIN...and wherein the PIN is operative to redeem the associated value.” Accordingly, as in claim 1 and as more fully described above, Applicants respectfully submit that independent claims 45, 56, 62 and 68 are patentable over the cited reference.

Claims 46-55 are dependent upon claim 45. Because claim 45 is patentable over the cited reference, Applicants respectfully submit that claims 46-55 must also be allowable over the reference. Claims 57-60 are dependent upon claim 56. Because claim 56 is patentable over the cited reference, Applicants respectfully submit that claims 57-60 must also be allowable over the reference. Claims 63-67 are dependent upon claim 62. Because claim 62 is patentable over the cited reference, Applicants respectfully submit that claims 63-67 must also be allowable over the reference.

B. Request for Expeditious Reply

Applicants wish to extend Examiner and the Office gratitude for issuing the present Office Action quickly. Applicants respectfully request, to the extent possible, similar

expeditious treatment of this Response After Final. In light of the shortened statutory deadlines, should the present Rejection be upheld, Applicants wish to timely appeal the decision in the most efficient manner.

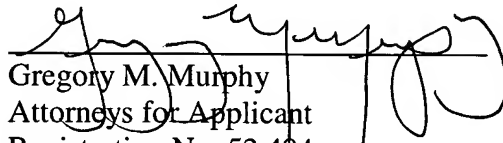
V. Conclusion

For all the reasons set forth above, it is respectfully submitted that all outstanding rejections have been overcome. All pending claims are patentably distinguishable over the prior art of record. Applicants accordingly submit that these claims are in a condition for allowance. Reconsideration and allowance of all claims are respectfully requested.

Should the Office have any questions or wish to discuss the present application, please contact the undersigned representative of Applicants at the number listed below.

Respectfully submitted,

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Gregory M. Murphy
Attorneys for Applicant
Registration No. 52,494
Telephone: (804) 788-7365
Facsimile: (804) 343-4912

Please Direct all Correspondence to:
J. Michael Martinez de Andino, Esq.
Hunton & Williams LLP
Riverfront Plaza, East Tower
951 East Byrd Street
Richmond, Virginia 23219-4074